

FY06 Policy & Procedure Manual

Treasurer

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Additional Positions

Compensation Board Policy

The General Assembly did not approve any new positions for Treasurers' offices in FY06.

Career Development for Treasurer

Compensation Board Policy

Treasurers may certify and re-certify participation in the Treasurers' Career Development Program during the February 1 budget request process.

2005 Appropriation Act
Item 69

C. The Compensation Board may increase the annual salary in paragraph A1 of this Item following receipt of the Treasurer's certification that the minimum requirements of the Treasurers' Career Development Program have been met, provided that such certifications are submitted by Treasurers as part of their annual budget request to the Compensation Board on February 1 of each year. The amount of increase shall be subject to appropriations by the General Assembly for this purpose.

The 2000 General Assembly approved funding for the participation of Treasurers in a Career Development Program. Original certifications and re-certifications are a part of each year's February 1 budget request process, and associated 9.3% salary increases become effective the following July 1 for a full year. The funding provided by the 2000 General Assembly was based upon an anticipated 40% participation rate in FY02. Funding has not been increased beyond that level of participation, and is continued at the same level for FY06. Officers that certify having met the minimum criteria for the career development program by February 1, 2005, are anticipated to receive a 9.3% salary increase effective July 1, 2005 through June 30, 2006.

More information regarding criteria for the Career Development Program for Treasurers is located at <http://www.scb.virginia.gov/docs/Treasurerscdp.pdf>.

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Career Development for Deputy Treasurer

Compensation Board Policy

A Treasurer who selects Deputy Treasurers for the Career Development Program certifies that the minimum requirements of the program have been met and then submits the certification as part of the February 1 budget request to the Compensation Board.

2005 Appropriation Act
Item 69

D. Out of the amounts included in this item is \$68,949 the first year and \$162,801 the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Program. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Program. The minimum criteria shall include initial and continuing education requirements for Deputy Treasurers and performance criteria.

Original certification and re-certifications that the minimum requirements of the program have been met and identification of deputies meeting the criteria for the Deputy Treasurer Career Development Program are a part of each year's February 1 budget process, and the associated salary increase of 9.3% becomes effective the following December 12 for a full 12 months. The first opportunity for Treasurers to make this certification and select Deputy Treasurers for participation in career development was the FY06 budget request due on February 1, 2005, with an effective date of December 1, 2005, for a salary increase.

For more information regarding the criteria and other details of the Career Development Program for Deputy Treasurers see the Compensation Board web site at <http://www.scb.virginia.gov/docs/deputytreascdp.pdf>.

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Duties

Code of Virginia §58.1-353

Each county and city treasurer shall proceed promptly to collect all individual and fiduciary income taxes for the taxable year that have been assessed by the commissioner of the revenue and remain unpaid after the time fixed by law for payment and shall continue his efforts so to collect until the close of the then current calendar year.

§58.1-3910

Each county and city treasurer shall receive the local taxes and other amounts payable into the treasury of the political subdivision of the Commonwealth served by the treasurer, and shall account for and pay over the same in the manner provided by law.

§58.1-1800

The treasurer of each county and city shall receive the state revenue payable into the treasurer of his locality. The treasurer of each county and city shall, not later than August 1 of each year, make a list of the intangible personal property taxes which he is unable to collect. Such list shall conform to the facts as they existed on June 30 of the year, and shall be in the form, and accompanied by the oath, prescribed by the Department of Taxation.

Compensation Board Policy

The duty of the Treasurer is to receive all local income and personal property taxes and other moneys owed to the Commonwealth and no later than August 1 produce a list of all taxes and revenue that have remained uncollected.

A Treasurer may only deposits public funds into a qualified public depository.

Like all Constitutional Officers, except for Clerks, the Treasurer is elected to a four-year term.

§2.2-4400, Code of Virginia, defines “public deposit” as moneys of the Commonwealth or of any county, city, town or other political subdivision thereof, including moneys of an commission, institution, committee, board or officer of the foregoing and any state, circuit, county or municipal court, which moneys, are deposited in any qualified public depository in any of the following types of accounts: nonnegotiable or registered time deposits, demand deposits, savings, deposits, and any other transaction accounts, and security for such deposit is required by other provisions of law. §58.1-3158, Code of Virginia defines “qualified public depository” as any national banking association, federal savings and loan association or federal savings bank located in Virginia and any bank, trust company or savings institution organized under Virginia law that receives or holds public deposits that are secured.

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Code of Virginia §15.2-1636.14

E. In the case of each county and city treasurer except a city treasurer who neither collects nor disburses local taxes or revenues the cost of such office furniture, office equipment and office appliances shall be paid in the proportion of two-thirds by the county or city and one-third by the Commonwealth.

Code of Virginia §15.2-1636.14

The salaries, expenses, other allowances of treasurers in the counties and cities shall be paid in the proportion of one-half by the respective counties and cities one-half by the Commonwealth.

Equipment Funding

Compensation Board Policy

The Compensation Board reimburses the local governing body one-third of the amount it approves, less the fiscal stress factor, for approved equipment purchases.

Due to budget reductions, no funding is provided in FY06 for equipment purchases.

A FY06 equipment budget request spreadsheet is located on the Compensation Board web site at <http://www.scb.virginia.gov/docs/cafy06equip.pdf>. This list provides amounts requested by Treasurers in their FY06 budget requests. Some of these requests were approved as early funding in FY05. Amounts that were approved are located in the Board minutes for January through May 2005 on the Compensation Board web site at <http://www.scb.state.va.us/minutes.html>. Amounts approved as early funding in FY05 are not available for expenditure or reimbursement in FY06.

Fringe Benefits

Compensation Board Policy

The Compensation Board reimburses local governing bodies for fringe benefits for Treasurers and their staff at the same percentage it reimburses approved salary amounts.

The Compensation Board pays 100% of Treasurer fringe benefits for the cities of Lynchburg, Franklin, and Richmond (permanently) and Galax city (through December 31, 2005). The Compensation Board pays two-thirds for fringe benefits for the cities of Williamsburg and Danville.

For all other county and city Treasurers the Compensation Board provides reimbursement for fringe benefits based on actual salary amounts reimbursed, generally 50% of the approved amount, at the following rates:

- VRS retirement contributions at the locality's employer share contribution rate, or 3.91%, whichever is less.
- FICA at 7.65% of the taxable portion of the salary for permanent positions and hourly wage employees.

In FY06, contributions for VRS Group Life insurance will not be required, and consequently, will not be reimbursed by the Compensation Board.

See the section entitled **Fringe Benefits** in the general section of this manual for more detailed information regarding benefits of Constitutional Officers.

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Local Governing Body Concurrence

Code of Virginia
§15.2-1636.16

The budgets fixed by the Compensation Board may thereafter be amended by the Compensation Board upon the request of the officer or local governing body or when changed circumstances so require. No budget shall be increased if any portion of the increase is payable from local funds without the concurrence of the local governing body.

Compensation Board Policy

The local governing body is required to provide written concurrence with any Treasurers' request to increase their budget or transfer budgeted funds to equipment expense.

For more information regarding fund transfers see the section entitled **Fund Transfer Request** in the general section of this manual.

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Office Expenses: Paid by Compensation Board

Code of Virginia
§15.2-1636.15

A. Whenever a county or city attorney for the Commonwealth, treasurer or commissioner of the revenue purchases office furniture, office equipment, office appliances, tax tickets for state and local taxes collectible by county and city treasurers, stationery, office supplies, postage, data processing services, printing, advertising, telephone or telegraph service, or repairs to office furniture and equipment in conformity with and within the limits of allowances duly made and contained in then current budget of any such officer, the invoices therefore, after examination as to their correctness, shall be paid by the county or city directly to the vendors, and the Commonwealth shall monthly pay the county or city the state's proportionate part of the cost of such items on submission by such officer to the Compensation Board of duplicate invoices and such other information or evidence as the Compensation Board may deem necessary.

Compensation Board Policy

The Compensation Board reimburses 50% of the budgeted amount for office expenses of Treasurers.

Base budgets for office expenses are set at the same level as approved July 1, 2004, as adjusted through any base budget transfer requests through FY05. The Compensation Board will reimburse the following office expenses:

- Internet access costs (line charges, ISP costs or locality service charges);
- Stationary, postage;
- Printing
- Data processing services;
- Telephone service; and
- Repairs to office furniture and equipment.

If you have any questions concerning whether an expense is reimbursable by the Compensation Board please call prior to the expenditure.

For more information regarding office expenses see section entitled **Professional Associations**.

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Office Expenses: Paid by Locality

Compensation Board Policy

The local governing body is responsible for the following office expenses in a Treasurers' office.

Code of Virginia
§15.2-1636.14

F. If any county or city treasurer uses any forms, sheets, or books of any kind for the assessment or collection of state or local taxes or levies in lieu of the standard forms, sheets or books furnished by the Commonwealth, no part of the cost of such forms, sheets or books shall be paid by the Commonwealth.

G. The cost of all forms, sheets and books of all kinds used for the assessment or collection of local license and local excise taxes shall be paid entirely out of the local treasury, including the cost of any tags, stamps, stickers, or other devices intended to evidence the payment of any such local license or local excise taxes.

H. The cost of all forms, sheets and books of all kinds used in the ascertainment, billing or collection of charges for utility or other special services rendered by a county or city, or by any district or agency thereof shall be paid entirely by the locality. The governing body of each county and city shall provide suitable office space for treasurer, together with the necessary heat, light, water, and janitorial service.

The locality is responsible for funding the following office expenses:

- Notary Seal, fees or application fee;
- Office space or rent, heat, water, light, and janitorial services;
- Chair mats or calculator maintenance contracts;
- Subscription to periodicals, newspapers, or Code of Virginia;
- Name tags, desk signs, or business cards;
- Tags, stamps, decals, stickers, or other devices intended to evidence the payment of local license or local excise tax assessment or collection;
- Custom software; and

The locality is responsible for all custom forms, sheets, or books for assessment or collection of state or local taxes or levies in lieu of standard forms, sheets, and books supplied by the Commonwealth:

- Applications or building permits;
- Custom check registers;
- Employee earnings notice;
- Real estate forms;
- Delinquent real estate tax statements;
- Personal property forms;
- Billing forms or collection of charges for utility or other special services rendered by a county or city;
- Vehicle registration forms; and
- Yard sale or garage sale applications.

The locality is responsible for services:

- Audit services;
- Telephone equipment installation costs; and
- Advertising other than state and local income (real estate or personal property tax).

If you have any questions concerning whether an expense is reimbursable by the Compensation Board please call prior to the expenditure.

For more information regarding office expenses see section entitled **Professional Associations**.

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Professional Associations

Compensation Board Policy

Reimbursement for attendance at non-Compensation Board-sponsored training events, professional associational meetings, or membership dues will not be provided as additional allowances, but are reimbursed through office expense funds available.

The Compensation Board will reimburse for:

- Treasurers' Association of Virginia (TAV);
- Local Government Officials' Conference (LGOC); and
- Virginia Association of Locally-Elected Constitutional Officers (VALECO).

A \$100 reimbursement is limited to the principal officer only. VALECO dues are reimbursed for the principal officer only.

For more information regarding office expenses see section entitled **Office Expenses**.

Reimbursement Policy Change

Compensation Board Policy

Effective with the Compensation Board's reimbursement payment for the month of July 2005 reimbursement payments will be made to the Treasurer or Director of Finance in the same manner for all Clerks' offices as provided to all other Constitutional Officers.

Code of Virginia §15.2-827

No money shall be drawn from the county treasury, nor shall any obligation for the expenditure of money be incurred, except in pursuance of a legally enacted appropriation resolution, or legally enacted supplement thereto passed by the board. Accounts shall be kept for each item of appropriation made thereto, the amount drawn thereon, the unpaid obligations charged against it, and the unencumbered balance in the appropriation account, properly chargeable, sufficient to meet the obligation entailed by contract, agreement or order.

Some Circuit Court Clerks have until now received Compensation Board payments directly and do not have the Compensation Board reimbursement payments sent to the Treasurer or Director of Finance for their locality. Receiving reimbursement in this way insures compliance with §15.2-520, §15.2-827, §15.2-2506, and §15.2-2507, Code of Virginia, regarding appropriations, as well as relieving the Clerk from the burden of accounting for these funds with local government auditor and the Auditor of Public Accounts.

The Compensation Board must give prior approval to any exception (the only exception approved by the Compensation Board is the Southampton Clerk, until July 1, 2006). Effective in FY06 (the first reimbursement payment for FY06 is for July and provided in August), the Compensation Board will provide reimbursement payments for Clerks in the same way, to the local Treasurer or Director of Finance. Therefore, Clerks will need to remit the advance funds (provided in July 1992) to the Compensation Board in mid-July, once all salaries and expenses have been paid out for the month of June and have been reimbursed by the Compensation Board. The local governing body must pay the salaries and expenses beginning with the month of July 2005, and then the Compensation Board will send the monthly reimbursements, beginning with the reimbursement for July, directly to the Treasurer or Director of Finance of the locality.

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Salary

2005 Appropriation Act Item 69

A.1. The annual salaries of treasurers shall be as hereinafter prescribed.

2. Provided, however, that in cities having a treasurer who neither collects nor disburses local taxes or revenue or who distributes local revenues but does not collect the same, such salaries shall be seventy-five percent of the salary prescribed.

3. Whenever a treasurer is such for two or more cities or for a county and city together, the aggregate population of such political subdivisions shall be the population for the purpose of arriving at the salary of such treasurer under the provisions of this Item.

§15.2-1636.12

Any officer whose salary in the year ending June 30, 1980, shall receive the same amount of such increase for the terms in which he continues in office.

§15.2-1636.14

B. The salaries, expenses, other allowance of treasurers in the counties and cities shall be paid in the proportion of one-half by the respective counties and cities one-half by the Commonwealth.

D. In no event shall the amount paid by each city and county as its share of the salary of its respective treasurer in any fiscal year exceed the actual dollar amount paid by such city and county for such salaries during the fiscal year ending June 30, 1980.

Compensation Board Policy

The locality share remains unchanged at 50% of the 1980 salary. The Commonwealth's reimbursable share of the salary of the Treasurer is 50% of the 1980 salary plus 100% of all salary increases thereafter.

The annual salaries of Treasurers are determined according to population estimates of the city or county in which they serve. Funding for salaries in the first half of FY06 will remain at current levels and at increased levels for the second half of the fiscal year. No funding is provided for performance-based pay increases for offices with performance evaluation plans in effect in their office.

In FY06, Treasurers and their Compensation Board-funded permanent employees will receive a 4.40% salary increase, effective December 1, 2005. The following are the population-based salaries for Treasurers for FY06.

<i>Population</i>	<i>December 1, 2004 to November 30, 2005</i>	<i>December 1, 2005 to June 30, 2006</i>
Less than 10,000	\$51,670	\$53,943
10,000 to 19,999	\$57,413	\$59,939
20,000 to 39,999	\$63,792	\$66,599
40,000 to 69,999	\$70,878	\$73,997
70,000 to 99,999	\$78,755	\$82,220
100,000 to 174,999	\$87,504	\$91,354
175,000 to 249,999	\$92,111	\$96,164
250,000 or more	\$104,671	\$109,277

The Compensation Board uses an aggregate population estimate to determine the salary of the Treasurer who serves two or more localities. The salaries of city Treasurers who neither collect nor disburse local taxes or revenue or who distribute local revenue but do not collect are set at 75% of the amount specified in the table.

Salary scales for Compensation Board-funded employees in Treasurers' offices for July 1 to November 30, 2005, are located at

http://www.scb.state.va.us/docs/Salary_Scales/fy05_Treasurer_Scale.pdf.

An historical salary increase matrix for Constitutional Officers is located at

http://www.scb.virginia.gov/docs/salary_history.pdf.

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Salary and Expense Exception

Compensation Board Policy

The Compensation Board reimburses 100% of all budgeted salaries and expenses for Treasurers' offices in Lynchburg, Franklin, Galax, and Richmond Cities.

The Compensation Board reimburses two-thirds of salaries and expenses and one-third of equipment for Treasurers' offices in Williamsburg and Danville.

2005 Appropriation Act
Item 69

A.1. The annual salaries of treasurers shall be as hereinafter prescribed.
2. Provided, however, that in cities having a treasurer who neither collects nor disburses local taxes or revenue or who distributes local revenues but does not collect the same, such salaries shall be seventy-five percent of the salary prescribed.

3. Whenever a treasurer is such for two or more cities or for a county and city together, the aggregate population of such political subdivisions shall be the population for the purpose of arriving at the salary of such treasurer under the provisions of this Item.

Code of Virginia
§15.2-1636.14

C. The salary, expenses and other allowances of any city treasurer who neither collects nor disburses local taxes or revenues shall be paid entirely by the Commonwealth and the salary, expenses and other allowances of any city treasurer who disburses local revenues but does not collect the same shall be paid in the proportion of one-third by the city and two-thirds by the Commonwealth.

The salary, expenses, and other allowances of any city treasurer who neither collects nor disburses local taxes or revenues shall be paid entirely by the Commonwealth. The cities of Lynchburg, Franklin, Galax, and Richmond fall into this category and are reimbursed for 100% of budgeted amounts in all budget categories.

The salary, expenses, and other allowances any city treasurer who disburses local revenues but does not collect the same shall be paid in the proportion of one-third by the city and two-thirds by the Commonwealth. The cities of Williamsburg and Danville fall into this category. These offices are reimbursed for two-thirds of budgeted amounts for staff salaries, temporary salaries and office expenses, for two-thirds of the 1980 salary and 100% of all increases for the officer's salary, and for one-third of approved equipment amounts.

The Treasurer for the city of Galax will no longer be funded after January 1, 2006.

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Staffing Standards

2005 Appropriation Act
Item 63

F. Any new positions established in Item 63 of this act shall be allocated by the Compensation Board upon request of the constitutional officers in accordance with staffing standards and ranking methodologies approved by the Compensation Board to fulfill the requirements of any court order occurring from proceedings under §15.2-1636.8, Code of Virginia, in accordance with the provisions of Item 64 of this act.

Compensation Board Policy

The Compensation Board uses a staffing standards and staffing methodology formula to determine the number of positions in Treasurers' offices.

The Compensation Board considers the following criteria when considering new positions in the offices of the Treasurer:

1. The position(s) must be requested by the Treasurer as part of the Compensation Board's annual budget request process.
2. The position(s) requested must perform only statutorily prescribed duties of the Treasurer.
3. The Treasurer's office must be connected to the city/county system or have such systems scheduled for installation within the next 12 months.
4. Funds and position(s) must be appropriated by the General Assembly.
5. The Compensation Board will use the staffing methodology and weighted three-year average workload criteria, developed by the Workload Study Committee to determine the appropriate level of Compensation Board-funded staff support for each office requesting additional positions.
6. The Compensation Board will determine the number of additional position(s) allocated to any one office based upon criteria 1-5, inclusive, and additional position(s) will be allocated in the order of percentage of need. Offices with the highest percentage of need will receive positions first. The percentage of need is determined by calculating the percentage that the number of additional positions needed is of the total number of current positions.
7. Because the current staffing of offices of the Treasurer include hourly-wage staff expressed as Full-Time Equivalent (FTE) positions, any office receiving a new position(s) will not have its hourly-wage funds reduced to the equivalent of the salary of a new position(s).

Staffing standards for Treasurers are located on the Compensation Board web site at <http://www.scb.state.va.us/docs/fy06staffstd732.pdf>.

The staffing methodology used to determine the appropriate staffing level in each Treasurer's office was developed by the Workload Study Committee and adopted by the Compensation Board.

The methodology considers current Compensation Board funded positions and hourly wage funded employee or full-time equivalent positions. A three year weighted average of workload, as reported by Treasurers, is calculated.

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Staffing Standards, continued

The workload was weighted to take into account the difficulty of ease of performing the duties. The transactions for each of the categories were totaled and averaged. Then the percentage was calculated, with 100% as the total number of reported transaction in all categories. Similarly, the amount of time spent by the offices on each function was totaled and averaged, and a percentage of total time was then calculated for each category.

The Treasurers' duties which were deemed to be local, such as vehicle decal issuance and those in the "other duties" category were removed from the total weighted transactions used in performing the statistical analysis.

Using the hourly wage funded amount and dividing by the step one salary of a deputy I position, the number of part-time Full-Time Equivalent (FTE) positions is ascertained. This is added to the Compensation Board approved full-time employees for the total personnel.

Linear regression was used to assess the relationship between workload and current Compensation Board approved FTE positions. Regression analysis is a statistical technique used to explain the relationship between factors, such as workload and current Compensation Board approved FTE positions.

Workload elements, weights, and the formula to determine staff needed in the Treasurer's office are as follows:

<i>Workload Areas</i>	<i>Weighted Factor</i>
Real Estate Tax	1.55
Personal Property Tax	1.08
Collections	.99
Vehicle License/Decal	.79
State Income Tax	3.08

Staff Needed	=	.000036*(Total weighted transactions)	+	1.92
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Temporary (Hourly-Wage) Employees

Compensation Board Policy

The Compensation Board reimburses 50% of the budgeted amount for salaries for temporary (hourly wage) employees of Treasurers.

Base budgets for temporary (hourly wage) employee salaries are set at the same level as approved July 1, 2004, as adjusted through any base budget transfer requests during FY05.